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Washington's Unemployment Rate Up Slightly in September

OLYMPIA – Washington's seasonally adjusted unemployment rate rose two-tenths of a percentage point to 7.4 percent in September, Employment Security Commissioner Sylvia P. Mundy announced today. The nation's seasonally adjusted unemployment rate declined by one-tenth of a percentage point to 5.6 percent. Washington's non-adjusted unemployment rate, however, held constant at 6.7 percent.

"The September numbers point to a continuing soft labor market in Washington," said Mundy. "The stabilizing national economic picture, including the falling national jobless rate, will have a cushioning effect on the Washington economy. We should nevertheless be prepared for a slower recovery in the state than at the national level."

Washington's nonagricultural wage and salary employment increased by 9,600 jobs over the month of September, a non-adjusted increase of 0.4 percent which is a normal seasonal occurrence. This is the first gain in employment since June 2002. Job gains in government (+14,300) and services (+700) slightly outweighed the job losses in manufacturing (-3,100), construction (-1,200), wholesale and retail trade (-1,600), and finance, insurance and real estate (-200). All of the increase in government employment occurred in local and state education. The losses in manufacturing were widespread throughout durable goods, though the most notable loss was in aircraft and parts (-1,900). Preserved fruits and vegetables was the strong gainer among nondurable goods, with an increase of 900.

Nonagricultural employment estimates prepared in collaboration with the Office of the Forecast Council are benchmarked quarterly and seasonally adjusted. Seasonally adjusted employment fell by 10,100 over the month of September, indicating that the employment gain in Washington was less than normal for this time of year. Seasonally adjusted numbers showed a loss in the manufacturing sector, but a gain in preserved fruits and vegetables. Compared to the non-adjusted numbers, seasonally adjusted numbers in both services and local education were down. The drop in services was concentrated in amusement and recreational services showing that this sector was not as strong as it normally is this time of year.

Nonagricultural employment in Washington is still significantly lower than it was at this time last year, with a decline of 50,700. Nearly two-thirds of this decline was in manufacturing, with most of that concentrated in aircraft and parts. There were also large drops in construction, transportation, services, and wholesale and retail trade. Government and finance, insurance, and real estate are the only two sectors up since September 2001.